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**EFFECTIVE**

July 1, 2019.

**Subject(s)**

1. Medicaid (MA).
  - Notices.
  - Policy clarification.
  - Life expectancy tables.
  - Miscellaneous.
2. Food Assistance.
  - Computing the Food Assistance Budget.
3. Miscellaneous.

**1) MEDICAID****Notices****BAM 402, MA Benefits**

Medicaid health plans report beneficiary pregnancy via the revised DCH-2010, Health Plan Beneficiary Information form.

**BEM 145, Newborns**

The MSA-2565C, Facility Admission Notice, is now the MSA-2565C, Hospital Newborn Notice.

*Reason:* Local office information.

**Policy Clarification****BAM 810, Medicare and Medicare Cost-Sharing**

A client who has Part A and/or Part B coverage can join a prescription drug plan. Information on part D enrollment may be found on the Social Security website. Once enrolled, Medicaid beneficiaries may change plans once per quarter in a year.

**BAM 825, Medical Transportation**

Foster parents that provide medical transportation for a foster child in their care may receive mileage reimbursement at the volunteer driver rate.

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## **BEM 211, MA Group Composition**

### **SSI-Related MA**

When an adult is applying for L/H, waivers (BEM 106 and 167) or FTW (BEM 174) the fiscal and asset group is the adult, even if the individual lives with a spouse, and the spouse is not **also** an L/H, waiver, or Freedom to Work client.

When the adult is applying for any other program (including the Medicare Savings Program) the fiscal and asset group is the adult applicant and the spouse.

### **BEM 400, Assets**

#### **SSI-Related MA Only**

A promissory note is a written promise to pay a certain sum of money to another person at a specified time. Promissory notes are loans. The promissory note may call for installment payments over a period (installment note) or a single payment on a specified date. The note is an asset to the lender. The value of the note is the outstanding balance due as of the date of application for long term care, home help, waiver services, or home health services.

All money used to purchase a promissory note or loan, **are** transfers of assets.

A loan is bona fide if it meets all the following requirements:

- It is enforceable under state law
- The loan agreement is in effect at the time of the transaction
- The borrower acknowledges an obligation to repay
- The loan document includes a plan for repayment
- The repayment plan is feasible

**Note:** Count principal payments from a bona fide loan or promissory note are the return of the principal as an asset in the month received. Payment of interest on a bona fide loan and all payments from a loan or promissory note which is not bona fide is countable unearned income.

### **BEM 405, MA Divestment**

Obtain a statement from the LTC or waiver client's physician (M.D. or D.O.) to verify the following:

- Undue hardship.
- The client's non-disabled child (age 21 or older) provided care that would otherwise have required LTC or waiver services **and** that a physician recommended the services at the time of receipt.

**BEM 545, MA Group 2 Income Eligibility**

For a Service animal (such as a guide dog) or service animal maintenance to be a covered medical service in Michigan the animal must be fully trained and cannot be for emotional support, companionship, therapy for others, or crime deterrence.

**Life expectancy  
tables****BEM 405, MA Divestment****Value of Transferring Right to Income**

When a person gives up a right to receive income, the fair market value is the total amount of income the person could have expected to receive.

Updated EXHIBIT I - Life Expectancy Table, used to compute the fair market value of a lifetime income source such as a pension. Based the calculation on the person's sex and age on the date of transfer.

**Miscellaneous****BEM 106, MA Waiver for Elderly and Disabled**

Added non-financial factors to the item.

**BEM 536, Determining Budgetable Income - Group 2 under 21 and Caretaker Relative**

Removed reference to RFT 295.

**BEM 540, MA Deemed Income and Deduction SSI-Related Children**

Removed reference to RFT 295.

**BEM 541, MA Income Deductions - SSI Related Adults**

Removed reference to RFT 295.

**BEM 546, Post Eligibility Patient Pay Amount**

- Removed reference to RFT 295.
- The heat and utility allowance for a month is now \$617.25.

**2) Food Assistance****BEM 556, Computing the Food Assistance Budget**

Updated instructions to align with display in Bridges.

*Reason:* Consistency for the specialists.

**3) Miscellaneous****BAM 600, Hearings**

Rearranged order of where to send a request for a reconsideration.

**BAM 804, Incarceration Matches**

Removed links for locating prisoners.

**BAM 814, PARIS Interstate Match**

Grammatical correction.

**BEM 212, Food Assistance Program Group Composition**

Form number correction.

**BEM 501, Income from Employment**

Changed Workforce Innovation Act to Workforce Innovation Opportunity Act.

**MANUAL  
MAINTENANCE  
INSTRUCTIONS**

**Changed Items ...**

[BAM 402](#)  
[BAM 600](#)  
[BAM 804](#)  
[BAM 810](#)  
[BAM 814](#)  
[BAM 825](#)  
[BEM 106](#)  
[BEM 145](#)  
[BEM 211](#)  
[BEM 212](#)  
[BEM 400](#)  
[BEM 405](#)  
[BEM 501](#)  
[BEM 536](#)  
[BEM 540](#)  
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[BEM 556](#)